

Rent Stabilization Allowance (Annual Rent Increase)

3.0%

Effective July 1, 2011 through June 30, 2012

The Takoma Park's law (*City Code Chapter 6.20 Rent Stabilization*) maintains the affordability of rental units in the community by limiting the number and amount of rent increases that may be charged for a specific rental unit. Generally the rent may be increased only once in a given 12 month period and rent increases are limited to the annual increase in the Consumer Price Index. The rent stabilization allowance is calculated on an annual basis and applies to all licensed multi-family rental facilities and to all licensed condominium units.

The 2011-2012 Rent Stabilization Allowance is 3.0% and will be in effect beginning July 1, 2011 through June 30, 2012. Landlords required to comply with Takoma Park's Rent Stabilization law cannot increase the rent on occupied units any higher than this allowance. A two-month written notice of any rent increase is required (*City Code Chapter 6.20.060 Annual Rent Increases*).

Multi-family rental properties and all licensed condominium units are subject to Takoma Park's Rent Stabilization law. However, the following units may be exempt, upon application to the City, from many of the requirements of the law. The exemption is not automatic and is subject to the approval of the City.

- Any two-unit rental facility where one of the units is the owner's principal residence;
- Rental units leased to tenants under the Housing Choice Voucher Program;
- Any rental facility where the rents are regulated, under contract, by a governmental entity; and
- Newly constructed rental units for a period of five years after construction.

For more information about the requirements of Takoma Park's Rent Stabilization law, please contact Ms. Jean Kerr at jeank@takomagov.org or (301) 891-7216.